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**BEVERAGE CONTAINER  
DEPOSITS — IOWA'S BOTTLE BILL**

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## **I. State Beverage Container Deposit Laws**

### **A. Background**

Beverage container deposit laws, also known as "bottle bills," require a refundable deposit to be paid on certain beverage containers. The laws are designed to encourage a high rate of recycling of beverage containers. The frequently cited purposes for such laws include reducing beverage container litter and conservation of natural resources.<sup>1</sup> Iowa is one of 10 states that has a bottle bill law in effect. The states with bottle bills in effect are California, Connecticut, Hawaii, Iowa, Maine, Massachusetts, Michigan, New York, Oregon, and Vermont. With the exception of Hawaii, all of the bottle bills were enacted during the 15-year period from 1971 to 1986.<sup>2</sup> Hawaii enacted a bottle bill in 2002 which was implemented on January 1, 2005.<sup>3</sup> The bottle bill in Delaware was repealed in 2010.<sup>4</sup>

Iowa's bottle bill passed in 1978 and was approved by the Governor on May 12, 1978.<sup>5</sup> The Act became effective May 1, 1979, for beverage containers purchased from state liquor stores in Iowa, and on July 1, 1979, for all remaining containers covered by the Act.<sup>6</sup> This Legislative Guide provides an overview of the history of Iowa's bottle bill, explains generally how Iowa's bottle bill works, and provides a brief comparison of the other jurisdictions' bottle bills.

### **B. Iowa's Bottle Bill**

#### **1. History**

Since enactment, Iowa's bottle bill has been amended by 18 separate pieces of legislation.<sup>7</sup> Some of the amendments included minor corrections or conforming changes resulting from amendments to other areas of the Code.<sup>8</sup> Many of the amendments related to the inclusion of alcoholic beverage containers in the bottle bill.<sup>9</sup> One amendment added the two fraudulent practice penalties now found in Code section 455C.12.<sup>10</sup> Other amendments related to the prohibition against the disposal of beverage containers at sanitary landfills;<sup>11</sup> the time requirements for distributors to accept and pick up beverage containers and to pay the refund value;<sup>12</sup> the definition of

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<sup>1</sup> Cal. Pub. Res. Code § 14501(j) (2009); Me. Rev. Stat. Ann. tit. 32, § 1861 (2009); N.Y. Env'tl. Conserv. Law § 27-1001 (2009).

<sup>2</sup> 1986 Cal. Stat. 1290; 1978 Conn. Acts 78-16; 1978 Iowa Acts ch. 1162; 1975 Me. Laws 739; 1981 Mass. Acts 571; 1976 Mich. Pub. Acts 1759 (initiated law); 1982 N.Y. Laws 200; 1971 Or. Laws 745; 1971 Vt. Acts & Resolves 252.

<sup>3</sup> 2002 Haw. Sess. Laws 176.

<sup>4</sup> 77 Del. Laws 275 (2010).

<sup>5</sup> 1978 Iowa Acts ch. 1162.

<sup>6</sup> 1978 Iowa Acts ch. 1162, § 14.

<sup>7</sup> 2008 Iowa Acts ch. 1191, § 78; 1992 Iowa Acts ch. 1242, §§ 34-35; 1992 Iowa Acts ch. 1215, § 14; 1991 Iowa Acts ch. 268, §§ 433-435; 1989 Iowa Acts ch. 272, §§ 34-37; 1989 Iowa Acts ch. 161, § 9; 1989 Iowa Acts ch. 44; 1988 Iowa Acts ch. 1200; 1987 Iowa Acts ch. 115, § 60; 1987 Iowa Acts ch. 22, §§ 3 and 12-17; 1986 Iowa Acts ch. 1245, §§ 1899C and 1899D; 1985 Iowa Acts ch. 32, §§ 111-113; 1983 Iowa Acts ch. 84; 1982 Iowa Acts ch. 1199, § 71; 1980 Iowa Acts ch. 1151; 1980 Iowa Acts ch. 1148, § 80; 1980 Iowa Acts ch. 1012, §§ 57 and 58; 1979 Iowa Acts ch. 113.

<sup>8</sup> 1989 Iowa Acts ch. 44; 1987 Iowa Acts ch. 115, § 60; 1986 Iowa Acts ch. 1245, §§ 1899C and 1899D; 1982 Iowa Acts ch. 1199, § 71; 1980 Iowa Acts ch. 1148, § 80; 1980 Iowa Acts ch. 1012, §§ 57 and 58.

<sup>9</sup> 1992 Iowa Acts ch. 1242, §§ 34 and 35; 1992 Iowa Acts ch. 1215, § 14; 1991 Iowa Acts ch. 268, §§ 433-435; 1989 Iowa Acts ch. 272, §§ 34-36; 1989 Iowa Acts ch. 161, § 9; 1987 Iowa Acts ch. 22, §§ 3 and 12-17; 1985 Iowa Acts ch. 32, §§ 111-113.

<sup>10</sup> 1979 Iowa Acts ch. 113, § 4.

<sup>11</sup> 1992 Iowa Acts ch. 1215, § 14; 1991 Iowa Acts ch. 268, § 435; 1989 Iowa Acts ch. 272, § 37.

<sup>12</sup> 1983 Iowa Acts ch. 84.



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redemption center, dealer agent, and geographic territory;<sup>13</sup> nonrefillable containers;<sup>14</sup> the handling fee;<sup>15</sup> the importation into the state of beverage containers;<sup>16</sup> and a grant program for independent redemption centers.<sup>17</sup>

### 2. Understanding Iowa's Bottle Bill

There are two steps to understanding the basics of Iowa's bottle bill. First, all the persons handling a beverage container during the beverage container's lifetime must be identified. Second, the 5-cent refund value must be traced as it passes from person to person.

**a. Persons Handling a Beverage Container.** A distributor is a person who engages in the sale of beverages in beverage containers to a dealer who sells such beverages.<sup>18</sup> A dealer is a person who engages in the sale of beverages in beverage containers to a consumer.<sup>19</sup> Obviously, a consumer is the person who purchases the beverage in a beverage container from a dealer for use or consumption.<sup>20</sup>

After a consumer returns an empty beverage container, there are two additional beverage container handlers who are important to identify. First, a dealer agent is a person who solicits or picks up empty beverage containers from a dealer for the purpose of returning the empty beverage containers to a distributor or manufacturer.<sup>21</sup> Second, a redemption center is a facility at which consumers may return empty beverage containers and receive the refund value.<sup>22</sup> A redemption center may also be the premises of a dealer if the dealer voluntarily chooses to accept and pay the refund value for empty beverage containers of a kind, size, and brand not sold by the dealer.<sup>23</sup> A 1998 study found that, of the 96.7 percent of consumers who return empty beverage containers, 77.8 percent of those consumers returned the empty containers to dealers while 20.9 percent returned the empty containers to redemption centers.<sup>24</sup> The remaining 1.3 percent either returned the containers to a location other than a dealer or redemption center or did not know where they returned them.<sup>25</sup>

**b. Tracing the Refund Value.** A beverage container begins its journey when a distributor sells a beverage in a beverage container to a dealer. In addition to the price of the product, the distributor charges the dealer an amount equivalent to the refund value of 5 cents for each new beverage in a beverage container sold to a dealer. The dealer then charges the consumer the purchase price of the product plus

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<sup>13</sup> 1988 Iowa Acts ch. 1200.

<sup>14</sup> 1979 Iowa Acts ch. 113, §§ 1, 2, and 6.

<sup>15</sup> 1980 Iowa Acts ch. 1151.

<sup>16</sup> 1979 Iowa Acts ch. 113, § 3.

<sup>17</sup> 2008 Iowa Acts ch. 1191, § 78.

<sup>18</sup> Iowa Code § 455C.1(9).

<sup>19</sup> Iowa Code § 455C.1(5).

<sup>20</sup> Iowa Code § 455C.1(4).

<sup>21</sup> Iowa Code § 455C.1(6).

<sup>22</sup> Iowa Code § 455C.1(13).

<sup>23</sup> Iowa Admin. Code 567-107.2.

<sup>24</sup> Center for Social and Behavioral Research, University of Northern Iowa, Attitudes and Opinions on Iowa's Beverage Container Recycling Law, June 1998.

<sup>25</sup> Id.

the refund value of 5 cents for each beverage container purchased by the consumer for consumption off the premises of the dealer.<sup>26</sup>

When the consumer returns an empty beverage container to a dealer or a redemption center, the dealer or redemption center accepting the empty beverage container is required to pay the consumer the refund value of 5 cents.<sup>27</sup> Dealers are required to accept from consumers empty beverage containers which are a kind, size, and brand sold by the dealer.<sup>28</sup> A distributor is required to pick up empty containers from dealers and redemption centers at least weekly, or when the distributor delivers the beverage product if deliveries are less frequent than weekly.<sup>29</sup> A distributor is required to accept from a dealer agent any empty container of the kind, size, and brand sold by the distributor and which was picked up by the dealer agent from a dealer within the geographic territory served by the distributor.<sup>30</sup> For each empty container accepted by the distributor, the distributor is required to pay the dealer, dealer agent, or person operating a redemption center the refund value of 5 cents<sup>31</sup> and an additional 1 cent per empty container handling fee.<sup>32</sup>

### **3. Beverage and Beverage Container Requirements**

**a. Beverages.** Wine, alcoholic liquor, beer, mineral water, soda water, and similar carbonated soft drinks in a liquid form are beverages whose containers are included under Iowa's bottle bill.<sup>33</sup> Mineral water is water naturally or artificially infused with mineral salts or gases and such water may be carbonated or uncarbonated.<sup>34</sup> Soda water is water that is carbonated.<sup>35</sup>

**b. Containers.** Each beverage container included under Iowa's bottle bill and sold or offered for sale in this state is required to indicate, by embossing or by a stamp, label, or other method securely affixed to the container, the refund value of the container.<sup>36</sup> Point type, color contrast, and other labeling requirements are provided for in the Iowa Administrative Code.<sup>37</sup> The container requirements do not apply to certain refillable glass beverage containers, to other refillable beverage containers exempted by the Director of the Department of Natural Resources, or to beverage containers sold aboard a commercial airliner or passenger train for consumption on the premises.<sup>38</sup>

### **4. Various Prohibitions**

Final disposal of a beverage container by a dealer, distributor, manufacturer, or person operating a redemption center, in a sanitary landfill, is prohibited.<sup>39</sup> This

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<sup>26</sup> Iowa Code § 455C.2(1).

<sup>27</sup> Iowa Code § 455C.2(1).

<sup>28</sup> Iowa Code § 455C.3(1).

<sup>29</sup> Iowa Code § 455C.3(2).

<sup>30</sup> Iowa Code § 455C.3(4).

<sup>31</sup> Iowa Code §§ 455C.3(2), (4).

<sup>32</sup> Iowa Code § 455C.2(2).

<sup>33</sup> Iowa Code § 455C.1(1).

<sup>34</sup> Iowa Admin. Code 567-107.2.

<sup>35</sup> Iowa Admin. Code 567-107.2.

<sup>36</sup> Iowa Code § 455C.5(1).

<sup>37</sup> Iowa Admin. Code 567-107.3.

<sup>38</sup> Iowa Code § 455C.5(3).

<sup>39</sup> Iowa Code § 455C.16.



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prohibition began on July 1, 1990, and does not include final disposal by a consumer.<sup>40</sup> Final disposal of beverage containers used to contain alcoholic liquor by a dealer, distributor, manufacturer, or a person operating a redemption center, in a sanitary landfill, is also prohibited.<sup>41</sup> This prohibition began on September 1, 1992, and, again, does not include final disposal by consumers.<sup>42</sup>

Certain types of beverage containers are not allowed to be manufactured or sold in Iowa. The manufacturing, sale, or offering for sale of any single-serving beverage container which is a plastic can or the offer for sale or sale of any beverage packaged in a single-serving plastic can is prohibited.<sup>43</sup> Also, the sale or offer for sale of any metal beverage container designed and constructed so that a part of the container is detachable in opening the container, commonly referred to as snap-top cans, is prohibited.<sup>44</sup>

### 5. Miscellaneous Provisions

**a. Redemption Centers.** In order to facilitate the return of empty beverage containers and to serve dealers of beverages, a redemption center may be established, subject to approval by the Department of Natural Resources, where consumers may return empty containers and receive payment of the refund value.<sup>45</sup> The department, in an order approving a redemption center, is required to identify the dealers to be served by the redemption center and the kind and brand names of empty beverage containers which the redemption center must accept.<sup>46</sup> Approval of a redemption center may be reviewed by the department at any time.<sup>47</sup>

Iowa's bottle bill also allows unapproved redemption centers to be established.<sup>48</sup> Such centers do not need to be approved by the department and do not relieve a dealer from the responsibility of redeeming any empty beverage containers of the kind and brand sold by the dealer.<sup>49</sup>

**b. Refusal to Accept Containers.** The general rule is that dealers are required to accept beverage containers from consumers for empty beverage containers which are a kind, size, and brand sold by the dealer.<sup>50</sup> However, a dealer may refuse to accept and to pay the refund value of any empty beverage container if the place of business of the dealer and the kind and brand of empty beverage containers are included in an order by the department approving a redemption center.<sup>51</sup> A dealer, a person operating a redemption center, a distributor, or a manufacturer may refuse to accept any empty beverage container which does not have stated on it a refund value.<sup>52</sup> A manufacturer or distributor may refuse to accept and to pay the refund

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<sup>40</sup> Iowa Code § 455C.16.

<sup>41</sup> Iowa Code § 455C.16.

<sup>42</sup> Iowa Code § 455C.16.

<sup>43</sup> Iowa Code § 455C.15(1).

<sup>44</sup> Iowa Code § 455C.8.

<sup>45</sup> Iowa Code § 455C.6(1).

<sup>46</sup> Iowa Code § 455C.6(3).

<sup>47</sup> Iowa Code § 455C.6(4).

<sup>48</sup> Iowa Code § 455C.7.

<sup>49</sup> Iowa Code § 455C.7.

<sup>50</sup> Iowa Code § 455C.3(1).

<sup>51</sup> Iowa Code § 455C.4(2).

<sup>52</sup> Iowa Code § 455C.4(1).

value and handling fee on any empty beverage container that was picked up by a dealer agent from a dealer outside the geographic territory served by the manufacturer or distributor.<sup>53</sup>

A class "E" liquor control licensee may refuse to accept and to pay the refund value on an empty alcoholic liquor container from a dealer or a redemption center or from a person acting on behalf of or who has received empty alcoholic liquor from a dealer or a redemption center.<sup>54</sup> A class "E" liquor control licensee is defined as a licensee authorized to purchase alcoholic liquor from the Alcoholic Beverages Division only and to sell the alcoholic liquor to patrons for consumption off the licensed premises and to other liquor control licensees.<sup>55</sup>

**c. Special Alcoholic Beverage Container Provisions.** A few special provisions exist in Code chapter 455C which relate only to alcoholic beverage containers. Distributors selling alcoholic liquor to the Alcoholic Beverages Division of the Department of Commerce are not subject to pickup requirements and payment-of-refund-value requirements of Code section 455C.3, subsection 2.<sup>56</sup> The Alcoholic Beverages Division provides for the disposal of empty beverage containers as required by Code section 455C.3, subsection 2, and is required to give priority consideration to recycling, to the extent possible, before other appropriate disposal methods are considered.<sup>57</sup> Also, certain beverage containers containing alcoholic liquor and beer are exempted from labeling requirements for beverages imported into this state.<sup>58</sup>

## **6. Penalties**

Code section 455C.12 contains a number of penalty provisions for violations of various provisions of Iowa's bottle bill.<sup>59</sup> A person violating provisions of the bottle bill relating to the payment of refund values, the acceptance of empty beverage containers, refund value labeling requirements, and the prohibition against snap-top cans commits a simple misdemeanor.<sup>60</sup> A distributor who collects or attempts to collect a refund value on an empty container, with the exception of certain refillable beverage containers, when the distributor has paid the refund value on the container to a dealer, dealer agent, or person operating a redemption center commits a fraudulent practice.<sup>61</sup> A person also commits a fraudulent practice when the person collects or attempts to collect the refund value on an empty container a second time, with the exception of certain beverage containers which are intended to be refillable; manufactures, sells, possesses, or applies a false or counterfeit label or indication which shows a refund value, with intent to use the false or counterfeit label or indication; or collects or attempts to collect a refund value on a container with the use

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<sup>53</sup> Iowa Code § 455C.4(5).

<sup>54</sup> Iowa Code § 455C.4(4).

<sup>55</sup> Iowa Code § 123.30(3)(e).

<sup>56</sup> Iowa Code § 455C.3(2).

<sup>57</sup> Iowa Code § 455C.3(5).

<sup>58</sup> Iowa Code § 455C.5(2).

<sup>59</sup> Iowa Code § 455C.12.

<sup>60</sup> Iowa Code § 455C.12(1).

<sup>61</sup> Iowa Code § 455C.12(2), (5).





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of a false or counterfeit label or indication showing a refund value, knowing the label or indication to be false or counterfeit.<sup>62</sup>

A person violating Code section 455C.15, relating to the prohibition against distribution of plastic cans, commits a serious misdemeanor.<sup>63</sup> A beer distributor violating Code section 455C.14, relating to the redemption of refused nonrefillable metal beverage containers, commits a simple misdemeanor.<sup>64</sup>

### C. Other States

As was previously stated, Iowa is one of 10 states that have a bottle bill in effect. While all of the bottle bills operate in generally a similar manner, differences exist, such as what beverage containers are covered, the refund value, the handling fee, the reclamation system, and what happens to unclaimed deposits. This Guide does not attempt to define all of the differences between the various bottle bills, but, rather, identifies some of the more significant differences among the laws as of October 2010.

#### 1. Beverage Containers Covered

All bottle bills cover beverage containers for beer, soft drinks, and either mineral water, soda water, or both mineral and soda water. Hawaii, Iowa, Maine, and Vermont include beverage containers for liquor in their bottle bills.<sup>65</sup> The Iowa and Maine laws include beverage containers for wine.<sup>66</sup> California, Hawaii, Maine, Michigan, New York, and Vermont all include beverage containers for mixed wine drinks or wine coolers under their bottle bills.<sup>67</sup> In addition to the usual beverage containers, Connecticut's and Oregon's bottle bills include containers for "similar carbonated soft drinks."<sup>68</sup> In Oregon, this has been interpreted to mean any nonalcoholic, carbonated drink except 100 percent coffee, tea, milk, cocoa, and fruit or vegetable drinks.<sup>69</sup> During the time period beginning October 2005 and ending October 2010, Connecticut, New York, and Oregon added containers for water to the list of beverage containers covered under their bottle bills.<sup>70</sup>

The three most expansive bottle bill laws are in Hawaii, Maine, and California. The Maine law includes beverage containers for beer, ale or other drink produced by fermenting malt, spirits, wine, hard cider, wine coolers, soda or noncarbonated water, and all nonalcoholic carbonated or noncarbonated drinks except for milk and dairy-derived products.<sup>71</sup> The California law includes beer, wine and distilled spirit coolers, carbonated and noncarbonated water including soda and mineral water, carbonated soft drinks, noncarbonated soft drinks and sport drinks, noncarbonated fruit drinks that contain any percentage of fruit juice, carbonated fruit drinks, coffee and tea drinks, and

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<sup>62</sup> Iowa Code § 455C.12(3), (5).

<sup>63</sup> Iowa Code § 455C.15(2).

<sup>64</sup> Iowa Code § 455C.14.

<sup>65</sup> Haw. Rev. Stat. § 342G-101 (2009); Iowa Code § 455C.1(1); Me. Rev. Stat. Ann. tit. 32, § 1862(1) (2009); Vt. Stat. Ann. tit. 10, § 1521(1) (2009).

<sup>66</sup> Iowa Code § 455C.1(1); Me. Rev. Stat. Ann. tit. 32, § 1862(1) (2009).

<sup>67</sup> Cal. Pub. Res. Code § 14504 (2009); Haw. Rev. Stat. § 342G-101 (2009); Me. Rev. Stat. Ann. tit. 32, § 1862(1) (2009); Mich. Comp. Laws Ann. § 445.571(1)(a) (2009); N.Y. Envtl. Conserv. Law § 27-1003(1) (2010); Vt. Stat. Ann. tit. 10, § 1521(1) (2009).

<sup>68</sup> Conn. Gen. Stat. § 22a-243 (2009); Or. Rev. Stat. § 459A.700(1) (2009).

<sup>69</sup> Or. Admin. R. 845-020-0005 (2010).

<sup>70</sup> Conn. Gen. Stat. § 22a-243 (2010 Supp.); N.Y. Envtl. Conserv. Law § 27-1003(1) (2010); Or. Rev. Stat. § 459A.700(1) (2009).

<sup>71</sup> Me. Rev. Stat. Ann. tit. 32, § 1862(1) (2009).



vegetable juice in containers of 16 ounces or less.<sup>72</sup> In Hawaii, the law includes containers for beer, ale, or other drinks produced by fermenting malt, mixed spirits, mixed wine, tea and coffee regardless of dairy-derived product content, soda, or noncarbonated water, and all nonalcoholic drinks in liquid form and intended for human consumption.<sup>73</sup>

## 2. Refund Values

As a general rule, most bottle bills have a refund value of 5 cents. The two most notable exceptions are Michigan and California. Michigan has a refund value of 10 cents for all containers.<sup>74</sup> In California, consumers receive a refund of 4 cents if the beverage container has a capacity of less than 24 ounces and 8 cents if the beverage container has a capacity of 24 ounces or more.<sup>75</sup> Beginning July 1, 2007, if certain recycling measures are met during the previous calendar year, the minimum refund value for beverage containers with a capacity of less than 24 ounces increases to 5 cents and the minimum refund value for beverage containers with a capacity of 24 ounces or more increases to 10 cents.<sup>76</sup>

Maine, Oregon, and Vermont have refund values of 5 cents with exceptions for certain types of containers.<sup>77</sup> Maine has a refund value of 15 cents for wine and liquor containers of 50 milliliters or more.<sup>78</sup> Vermont has a deposit amount of 15 cents for liquor containers of 50 milliliters or more.<sup>79</sup> Oregon has a refund value of not less than 2 cents for certified reusable beverage containers.<sup>80</sup>

## 3. Handling Fees

Unlike refund values, there is not a common handling fee among the states. Seven states have a specific handling fee in place and the fee ranges from 1 cent in Iowa to 4 cents in Maine and Vermont for certain containers.<sup>81</sup> Oregon does not have a handling fee or any other form of reimbursement in place. Michigan and California have a form of reimbursement in place instead of a handling fee. In Michigan, distributors and manufacturers holding unclaimed deposits are required to annually pay such deposits to the state.<sup>82</sup> The unclaimed deposits paid to the state are deposited in the Bottle Deposit Fund and 25 percent of the fund is disbursed to dealers on an apportioned basis based on the number of empty returnable containers handled by the dealers.<sup>83</sup> In California, the Department of Conservation pays a floating handling fee that is annually assessed and adjusted based on a formula.<sup>84</sup> Hawaii uses a variable rate that is determined in relation to the recycling rate during the

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<sup>72</sup> Cal. Pub. Res. Code § 14504(a) (2009).

<sup>73</sup> Haw. Rev. Stat. § 342G-101 (2009).

<sup>74</sup> Mich. Comp. Laws Ann. § 455.571(1)(d) (2009).

<sup>75</sup> Cal. Pub. Res. Code § 14560(b) (2009).

<sup>76</sup> Cal. Pub. Res. Code § 14560(a)(3) (2009).

<sup>77</sup> Me. Rev. Stat. Ann. tit. 32, § 1863-A (2009); Or. Rev. Stat. § 459A.705(1) (2009); Vt. Stat. Ann. tit. 10, § 1522(a) (2009).

<sup>78</sup> Me. Rev. Stat. Ann. tit. 32, § 1863-A(4) (2009).

<sup>79</sup> Vt. Stat. Ann. tit. 10, § 1522(a) (2009).

<sup>80</sup> Or. Rev. Stat. § 459A.705(2) (2009).

<sup>81</sup> Iowa Code § 455C.2(2); Me. Rev. Stat. Ann. tit. 32, § 1866(4) (2009); Vt. Stat. Ann. tit. 10, § 1522(b) (2010).

<sup>82</sup> Mich. Comp. Laws Ann. § 445.573b (2009).

<sup>83</sup> Mich. Comp. Laws Ann. § 445.573c (2009).

<sup>84</sup> Cal. Pub. Res. Code § 14585(f) (2009).



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previous calendar quarter.<sup>85</sup> Connecticut varies the amount of the handling fee based on the type of beverage container.<sup>86</sup> The handling fee in Vermont is 4 cents for brand-sorted containers and 3.5 cents for commingled brands.<sup>87</sup>

### 4. Unclaimed Deposits

In Iowa and under most bottle bills, the unclaimed deposits are retained by bottlers and distributors. In Michigan, all unclaimed deposits are deposited in the state's Bottle Deposit Fund.<sup>88</sup> Twenty-five percent of the fund is used to provide funds to dealers and the remaining 75 percent is deposited in the state's Cleanup and Redevelopment Trust Fund.<sup>89</sup> Once \$200 million accumulates in the trust fund, interest and earnings of the trust fund are used, upon appropriation, for environmental remediation purposes.<sup>90</sup> Previously in Massachusetts, unclaimed deposits were collected from bottlers and distributors and deposited in the state's Cleanup and Redevelopment Fund.<sup>91</sup> The Cleanup and Redevelopment Fund was repealed in 2003,<sup>92</sup> and currently the collected unclaimed deposits are deposited in the General Fund of the State. In Hawaii, the State Department of Health retains all unclaimed deposits that are deposited in the Deposit Beverage Container Deposit Special Fund to be used for administrative and recycling-related purposes.<sup>93</sup> In New York, 80 percent of the unclaimed deposits are collected on a quarterly basis and deposited in the state General Fund.<sup>94</sup> In Connecticut, all unclaimed deposits are collected on a quarterly basis for deposit in the state General Fund.<sup>95</sup>

California retains all unclaimed deposits under a reclamation system where distributors make redemption payments directly to the state for every beverage container sold or transferred to a dealer,<sup>96</sup> the redemption payments are deposited in the California Beverage Container Recycling Fund,<sup>97</sup> and the state pays refund values to processors for every beverage container received by the processor from a certified recycling center, curbside program, dropoff or collection program, or nonprofit dropoff program.<sup>98</sup> Moneys in the fund which are not used to pay refund values and administrative fees and administer the program are set aside to use for purposes of paying handling fees, supporting curbside programs and neighborhood dropoff programs, providing support for beverage container recycling and litter reduction programs, paying processing payments, undertaking and cooperating in statewide public education and information campaigns, and paying quality glass incentive payments.<sup>99</sup>

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<sup>85</sup> Haw. Rev. Stat. § 342G-117 (2009).

<sup>86</sup> Conn. Gen. Stat. § 22a-245(d) (2009).

<sup>87</sup> Vt. Stat. Ann. tit. 10 § 1522(b)(2010).

<sup>88</sup> Mich. Comp. Laws Ann. § 445.573c (2009).

<sup>89</sup> Mich. Comp. Laws Ann. § 445.573c(2) (2009).

<sup>90</sup> Mich. Comp. Laws Ann. § 445.573e(5) (2009).

<sup>91</sup> Mass. Ann. Laws ch. 94, § 323D (Law. Co-op Supp. 2000).

<sup>92</sup> 2003 Mass. Acts 26, § 296.

<sup>93</sup> Haw. Rev. Stat. § 342G-104 (2009).

<sup>94</sup> N.Y. Env'tl. Conserv. Law § 27-1012 (2010).

<sup>95</sup> Conn. Gen. Stat. § 22a-245a (2010).

<sup>96</sup> Cal. Pub. Res. Code §§ 14523 and 14574(a) (2009).

<sup>97</sup> Cal. Pub. Res. Code § 14580(a) (2009).

<sup>98</sup> Cal. Pub. Res. Code § 14573 (2009).

<sup>99</sup> Cal. Pub. Res. Code § 14581 (2009).

## **II. Summary**

Iowa is one of 10 states that have a bottle bill law in effect. Iowa's bottle bill is very typical in terms of what beverage containers are covered, the refund values, and how unclaimed deposits are used. Also, while Iowa's bottle bill is typical for imposing a handling fee, the handling fee amount is on the low end of the scale compared to other states' handling fees. Only one state, Delaware, has repealed its bottle bill.

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